
**Criminal Justice & Corrections
Committee**

SSB 5631

Brief Description: Changing provisions relating to inmate work programs.

Sponsors: Senate Committee on Human Services & Corrections (originally sponsored by Senators Regala, Hargrove, Stevens, Brandland, Kline, McAuliffe, Franklin, Prentice, Esser, Delvin and Kohl-Welles).

Brief Summary of Substitute Bill

- Expands the list of potential customers for products and services produced by class II industries.
- Encourages school districts to set as a target to purchase up to 1 percent of the total goods required by the school districts each year from the Department of Corrections class II inmate work programs.

Hearing Date: 3/24/05

Staff: Yvonne Walker (786-7841).

Background:

The Department of Corrections (DOC) operates five classes of correctional industry work programs. All inmates working in class I - IV employment receive financial compensation for their work. Class V jobs are court ordered community work that is preformed for the benefit of the community without financial compensation.

Class I Industries. Inmates working in class I ("free venture") industries are paid according to the prevailing wage for comparable work in that locality. There are two models for class I industries authorized under state law — an employer model and a customer model.

Employer model industries are operated and managed by for-profit or nonprofit organizations under contract with the DOC. They produce goods and services for sale to both the public and private sector. Customer model class I industries are operated and managed by the DOC to produce and provide Washington businesses with products or services currently produced only by out-of-state or foreign suppliers. There are currently no customer model class I industries operating in the state.

Inmates working in free venture industries do so at their own choice and are paid a wage comparable to the wage paid for work of a similar nature in the locality in which the industry is located (ranging from \$7.16 to \$14.76 per hour). The production of window blinds, metal fabrication, upholstery, concrete work, water-jet cutting, sewing, cabiners, and multi-packaging services, are examples of jobs found in the class I industries work program. Security and custody services are supplied to the participating firm without charge.

Class II Industries. Class II ("tax reduction") industries are state-owned and operated industries designed to reduce the costs for goods and services for public agencies and nonprofit organizations. Industries in this class must be closely patterned after private sector industries but with the objective of reducing public support costs rather than making a profit. The products and services of this industry, including purchased products and services necessary for a complete product line, may only be sold to public agencies, nonprofit organizations, and to private contractors when the goods purchased will ultimately be used by a public agency or a nonprofit organization.

Inmates working in tax reduction industries do so at their own choice and are paid a gratuity which cannot exceed the wage paid for work of a similar nature in the locality in which the industry is located. Class II gratuities range from 35 cents to \$1.10 per hour and includes such jobs as: producing aluminum signs, license plates and tabs, mattresses, asbestos abatement, meat processing, optical lab, engraving, pheasant raising, furniture manufacturing, screen printing and embroidery, industrial sewing, and laundry. Security and custody services are provided without charge by the DOC.

The wages of inmates working in class I and II industries are subject to deductions by the DOC for crime victims' compensation, the inmate's savings account, costs of incarceration, child support, and legal financial obligations.

Court Decision. The Washington Supreme Court (Supreme Court) decision of August 18, 2004, reaffirmed the initial opinion issued on May 9, 2004, that determined class I "free venture" industries were unconstitutional. The Supreme Court determined that the law authorizing class I industries conflicts with article II, section 29 of the state constitution, that states, "After the first day of January eighteen hundred ninety the labor of convicts of this state shall not be let out by contract to any person, copartnership, company or corporation, and the Legislature shall by law provide for the working of convicts for the benefit of the state."

Since the Supreme Court's decision in May 2004, nine businesses have stopped employing class I industries workers at three correctional institutions in the state. Approximately 270 class I jobs have been lost.

Summary of Bill:

The list of potential customers for products and services produced by class II industries is expanded to include employees and family members of employees of the DOC and any person under the supervision of the DOC and their family members.

School districts are authorized to purchase goods, such as furniture, equipment, and supplies from class II industries. Beginning after June 30, 2006, school districts are encouraged to set as a target to contract to purchase up to 1 percent of the total goods required by the school districts each year from the DOC class II inmate work programs.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.